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January 11, 2005

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RE: Coverage for Claims by Value Recovery
Group, L.P. (Twin City Insurance Company,
Policy No. NDA 105226)

Dear Counsel:

We tendered last year, on behalf of our clients Unified Western Grocers, Inc., f.k.a. Certified Grocers of California, Ltd., Grocers Specialty Company, Alfred A. Plamann, Charles Pilliter, Daniel T. Bane, Robert M. Ling, and David A. Woodward, to your client, Twin City Fire Insurance Company, coverage of claims by Value Recovery Group, L.P. ("VRG") in Civ. No. 04-1-0355-02 (GWBC) (First Circuit Court, State of Hawaii) and Civ. No. 03-00668 MR (United States District Court, District of Hawaii) under the above-referenced policy. To date, we have not received any acceptance, reservation of rights, denial, or other response to our tender.

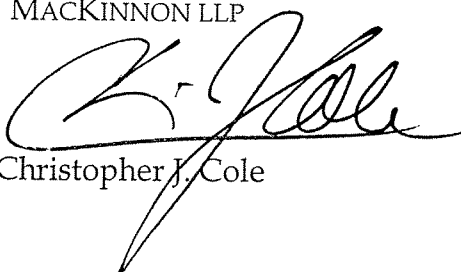
As you may know, VRG's claims were assigned to it from the Federal Deposit Insurance Corporation as receiver for Southern Pacific Bank, who we understand loaned money to Hawaiian Grocery Stores, Ltd. ("HGS") under its Coast Business Credit division in or about March of 1998. VRG's claims against our clients are necessarily different and distinct from those made by the Trustee Mark J.C. Yee that were the subject of Judge Helen Gillmor's summary judgment ruling in the coverage declaratory relief action last month. As you know, the Court expressly declined to adjudicate our clients' claims for coverage as to VRG. Accordingly, we request that Twin City formally respond to our tender of coverage for the VRG's claims by no later than **January 31, 2005**. If you do not represent Twin City in this matter, please let us know to whom we

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should direct correspondence as soon as possible. Thank you in advance for your cooperation in this matter.

Very truly yours,

MCCORRISTON MILLER MUKAI
MACKINNON LLP



Christopher J. Cole

CJC:jsa

cc: Wesley H.H. Ching, Esq.
Sheree Kon-Herrera, Esq.
Client